

RALEIGH-DURHAM AIRPORT AUTHORITY

MINUTES

January 15, 2004

Chairman Clancy presided. Present: Members Gibbs; Teer; Toler; Weeks; Winston and Zaytoun. Absent: Member Sanders. Also present: Airport Director Brantley; Deputy Director, Finance Business & Administration Gill; Deputy Director, Facilities Engineering & Maintenance Pittman; Major Capital Improvements Program Director Powell; Customer Service & Organizational Director Damiano; Parking Director Scialdone; Finance Director Barritt; Senior Program Manager Quesenberry; Communications Manager Hamlin; Communications Specialist Dunton; Business Development Officer Hairston; Emergency Services Manager Thompson; Ground Transportation Manager Nye; Information Technology Specialist Casanova; Network Administrator King; Program Manager Cayton; Senior Program Manager Edmondson; Facilities Engineering Manager Jewett; Assistant Maintenance Manager Thompson; Law Enforcement Manager Waters; Assistant Law Enforcement Manager Tippet; Customer Relations Supervisor Harleston; Website Administrator Hogan; Administrative Assistant Gray and Attorney Tatum.

Guests: Curt Fentress and Nathan James, Fentress Bradburn Architects; Charles McCloskey, Satish Mohé and Rick Panos, Parsons; Judy Pitchford, USO Clubs; Maurice Griffin, News 14 Carolina; Chris Baysden, Triangle Business Journal; Bruce Siceloff, The News and Observer; and Mark Latu, AmeriSuites Hotels.

Ground Transportation Manager Nye reported that the Airport Ground Transportation Association had selected the Raleigh-Durham Airport Authority as the recipient of its 2003 AGTA President's Award in recognition of its significant contributions to the improvement of airport ground transportation. Chairman Clancy accepted the award on behalf of the Authority.

APPROVAL OF AGENDA – There were no changes to the agenda, and it was approved as submitted.

APPROVAL OF MINUTES – There were no changes to the minutes of the December 18, 2003 meeting, and they were approved as submitted.

CHAIRMAN'S COMMENTS – Chairman Clancy had no comments at this time.

LAND & DEVELOPMENT COMMITTEE REPORT – Member Teer reported the Committee met on January 15, 2004 and discussed the following item:

1. Consideration of an Amendment to the Agreement with Fentress Bradburn Architects Ltd. for Phase 1A architectural and engineering services for Terminal C Renovation & Expansion, RDU #070399. Major Capital Improvements Program Director Powell reported on the Amendment to the October 28, 2003 Agreement with Fentress Bradburn Architects Ltd. This Amendment authorizes architectural, engineering and other professional services associated with the Scope Definition, Design Development, Construction Documents, and Bidding/Negotiation phases for Phase 1A of the Project. Phase 1A of the Project includes demolishing the north ends of the existing Terminal C processor and concourse buildings; relocating building communications, systems and underground utilities affected by the Project; and storing or retrofitting passenger loading bridges, all in advance of the next phase of the Project. The total maximum compensation

for services and expenses authorized by this Amendment is the fixed amount of \$512,000, which consists of the fixed amount of \$470,000 for services and a ceiling of \$42,000 for reimbursable expenses. This Amendment increases the total compensation for services and expenses authorized by the Agreement by \$512,000 from \$4,613,717 to \$5,125,717. The Committee recommended approval of the Amendment.

Member Teer made a motion, seconded by Member Winston, to approve the Amendment to the Agreement with Fentress Bradburn Architects Ltd. for Phase 1A architectural and engineering services for Terminal C Renovation & Expansion, RDU #070399. Adopted.

LAW, FINANCE & PERSONNEL COMMITTEE REPORT – Member Zaytoun reported the Committee met on January 15, 2004 and discussed the following item:

1. Consideration of adjustment of the budgets of RDU #070429, Terminal C Admirals Club Repairs & Temporary Relocation, and RDU # 080329, Authority Buildings Tenant Space Improvements in conjunction with development of a USO Club in Terminal A Extension. Airport Director Brantley reported on proposed adjustment of the capital budget for RDU #070429, Terminal C Admirals Club Repairs & Temporary Relocation. This project was established and budgeted at \$70,000 by the Authority on October 16, 2003. Subsequently, an agreement with American Airlines was reached whereby American will design and develop a temporary Admirals Club to be located on the south concourse of Terminal C by the spring of this year. The Authority will pay the cost of that relocation up to a fixed limit out of the Terminal C Renovation & Expansion project. Thus, the only work undertaken and needed under this project has been the repairs, all of which have now been completed at a cost not exceeding \$20,000. Therefore, it is requested the project budget be reduced by \$50,000 from \$70,000 to \$20,000.

Airport Director Brantley reported on proposed adjustment of the capital budget for RDU #080329, Authority Buildings Tenant Space Improvements. The current budget for this project is \$150,000. The project provides limited funds for building modifications that are necessary in order to lease space to a new tenant. For several years, staff has been trying to get the USO to establish a club for military personnel at RDU due to the number of those personnel who transit the airport upon completion of training at Fort Bragg or Camp LeJeune. The USO recently agreed to do this and to bear the cost of staffing and operation. The club will be located on the second floor of the three-story section of Terminal A Extension in space formerly occupied by the Authority's temporary offices between 1996 and 1998. Wall, ceiling, lighting and utilities changes, carpeting, fire sprinklers and architectural services that are needed to accommodate the club are estimated to cost \$100,000. Therefore, it is requested that the project budget be increased by \$100,000 from \$150,000 to \$250,000.

The Committee recommended approval of the two budget adjustments.

Member Zaytoun made a motion, seconded by Member Winston, to recommend to the Authority reducing the budget of RDU #070429, Terminal C Admirals Club Repairs & Temporary Relocation, by \$50,000 from \$70,000 to \$20,000 and increasing the budget of RDU #080329, Authority Buildings Tenant Space Improvements, in conjunction with development of a USO Club in Terminal A Extension by \$100,000 from \$150,000 to \$250,000. Adopted.

TERMINAL C PROJECT UPDATE - Curt Fentress, of Fentress Bradburn Architects presented a PowerPoint presentation in which he reviewed the progress toward development of the architectural vision for the project. He reviewed attributes he considered applicable to and discussed development of the architectural vision and models and drawings of certain design elements of the project. Staff and the project team will provide a further update at the March 18, 2004 meeting.

MEMBERS COMMENTS/REPORT – Member Teer wished everyone a Happy New Year and said he looked forward to a great year under Chairman Clancy's leadership. Member Weeks said the Fentress Bradburn firm had done a great job in a short period of time incorporating many different ideas together into a design, and he was very proud of their work. Member Teer thanked staff for the great service given to the customers during the holidays. Member Zaytoun commented on the excellent taxicab service he received during the holiday travel period.

GENERAL COUNSEL'S REPORT – Attorney Tatum had no comments at this time.

AIRPORT DIRECTOR'S REPORT –

- Enplaned passengers for December 2003 totaled 360,926 versus 352,328 for December 2002 for a 2.4% increase. For the year 2003 enplaned passengers totaled 3,963,567 versus 4,251,564 for the year 2002 for a 6.8% decrease.
- Deplaned passengers for December 2003 totaled 340,329 versus 329,104 for December 2002 for a 3.4% increase. For the year 2003 deplaned passengers totaled 3,940,152 versus 4,223,620 for the year 2002 for a 6.7% decrease.
- Enplaned air cargo for December 2003 totaled 7,806,910 pounds versus 8,244,986 pounds for December 2002 for a 5.3% decrease. For the year 2003 enplaned air cargo totaled 90,198,026 versus 98,293,523 for the year 2002 for an 8.2% decrease.
- Deplaned air cargo for December 2003 totaled 10,907,266 pounds versus 10,557,147 pounds for December 2002 for a 3.3% increase. For the year 2003 deplaned air cargo totaled 118,062,468 versus 123,662,578 for the year 2002 for a 4.5% decrease.
- Weekday scheduled flight departures for December 2003 totaled 231 versus 217 for December 2002 for a 6.5% increase.
- Aircraft operations for December 2003 totaled 18,790 versus 18,178 for December 2002 for a 3.4% increase. For the year 2003 aircraft operations totaled 223,262 versus 241,614 for the year 2002 for a 7.6% decrease.
- The number of vehicles exiting the terminal area public parking lots during December 2003 totaled 170,496 versus 172,299 for December 2002 for a 1.1% decrease. The number of vehicles exiting the terminal area public parking lots during the year 2003 totaled 1,908,243 versus 1,960,090 for 2002 for a 2.7% decrease.
- The number of taxicab trips taken during December 2003 totaled 11,915 versus 9,246 during

December 2002 for a 28.9% increase. The number of taxicab trips during the year 2003 totaled 149,543 versus 134,302 for 2002 for an 11.3% increase.

- Average enplaning and deplaning load factors for December were up 2.5 percentage points over December 2002. For the year as a whole, approximately 12% of the available seats were lost.
- The Christmas and New Years holiday operations went very well. There were very few problems to report with the exception of about half of the shuttle bus fleet being out of service at any time due to mechanical problems.
- The maximum inventory of parked vehicles during the Christmas/New Year's holiday period was 1,250 more than the preceding year. The overflow lots did not have to be opened. At the highest point of inventory about 100 spaces remained available in the terminal area garages.
- On March 23rd United Express, operated by Mesa Airlines, will begin regional jet service between RDU and Denver with two daily nonstop flights.
- On January 6, American Eagle expanded its New York LaGuardia service to 12 daily nonstop flights (basically, hourly service). Similar plans are pending for its service to Boston.
- It is expected that 2004 will be a busy and a great year with the addition of new airline service, growth of passenger travel, starting new facility additions and completing others, expanding customer service facilitation, revenue growth and staff achievements.
- The parking rate increases the Authority approved last fall will become effective at 12:01pm on Sunday, January 18, 2004 (this actually was delayed for one week due to equipment issues). The increased rates are still significantly lower than airports of comparable size.
- The Airline Affairs Committee met at RDU Center on January 14th. The Committee received presentations on the following items: the Terminal C replacement program; a proposed project to develop a consolidated bag makeup facility and relocation of the security checkpoint in Terminal A; relocation of air carriers from Terminal A to Terminal C and vice versa upon completing each phase of the Terminal C replacement; and the proposed increase in the PFC charge from \$3.00 to \$4.50 to be effective October 1, 2004.
- In early March, the new Taxiway J is expected to be completed and open. Taxiway D relocation is set to begin soon.
- The Authority has begun the installation of security fencing on the east side of the airport generally following the deer fence line to keep out trespassers and animals that find their way onto the runways.
- The Congress is expected to pass the FY 2003-04 DOT appropriations legislation shortly. Once that happens, the FAA expects to provide the Authority with a grant of \$7 million in AIP discretionary funding to construct the planned extended runway safety area at the end of Runway 23L and an airside service road in that area.

- Newly hired Deputy Director, Operations Mike McElvaney will report for duty on February 2nd.
- The Exit Express pay-on-foot program is doing extremely well. Since launching the program, the utilization of the machines has been 43% of the total transactions for the garages between the terminals. The Authority would like to see that use increase, but it recognizes that holiday travelers include a high percentage of infrequent travelers who may be unfamiliar with the airport and may not have received information about Exit Express. The ambassador program will be suspended until normal use of the machines can be determined. The Authority may return to using the ambassadors during the Spring Break travel period to encourage use of the pay-on-foot program.
- Customer Service & Organizational Support Director Damiano reported on the fall and winter mystery shopping results. The survey involved 523 mystery shops of seven different service areas: parking, ground transportation, security checkpoint, retail, food shops, restaurants and overall terminal facilities. Exit Express was added as a subset in December. The overall rating was 91.6% for the two quarters of baseline survey. Staff is pleased with the gradual improvements, and is now focused on the areas that can be improved. Those areas basically are related to interaction between customer and service provider, specifically eye contact, verbal greetings, saying thank you, and offering receipts to business travelers. Comments about Exit Express also were received and were very positive overall. A workshop is scheduled for April 19 for the managers of all of the service areas to learn how to access the web-based program to retrieve the mystery shopper results. Board members are invited to attend the workshop. The next set of shopping will take place in February.

ADJOURNMENT - There being no further business, Chairman Clancy adjourned the meeting.

Respectfully submitted,

Stephen K. Zaytoun, Secretary

CORRECT ATTEST:

David T. Clancy, Chairman